

WASHINGTON – U.S. Rep. Jo Bonner, R-Alabama, applauded the House's passage of legislation reauthorizing the National Flood Insurance Program for a full five years. On Friday, the House passed the Surface Transportation Extension Act of 2012, which includes the National Flood Insurance reauthorization.

"The Gulf Coast has seen its share of major flooding in the wake of powerful hurricanes and each time many Alabama residents living in flood-prone areas have relied upon the National Flood Insurance Program for help," said Congressman Bonner. "This long-term reauthorization is critical as we enter a new hurricane season and property owners are seeking flood insurance coverage."

The program offers federally-backed flood coverage to homeowners, businesses and renters who are unable to obtain such insurance elsewhere. Historic storms such as Ivan and Katrina have tested the federal flood insurance program's ability to sustain itself. Claims from Katrina alone put the program almost \$18 billion in debt. Congress has wrestled with program reforms for a number of years without success. Short-term extensions of the program have not only failed to solve the program's longer term solvency, but also created uncertainty in the real estate market in flood-prone areas – sometimes delaying approval of mortgages.

According to the Federal Emergency Management Agency (FEMA), more than 57,000 federally-backed flood insurance policies covering in excess of \$12 billion in property have been issued in Alabama. Over the last three decades, the National Flood Insurance Program has written checks for more than \$950 million in Alabama flood losses – and nearly \$7 million was paid in just the last year.

On July 12, 2011, the House overwhelmingly passed legislation to reform the National Flood Insurance Program, extending it through fiscal year 2016. The Senate failed to pass similar legislation and the program has been sustained through short-term extensions until now.

After the House's passage of the Surface Transportation Extension Act, the legislation now heads to the Senate for final approval before proceeding to President Obama for his signature.

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